(MARK UP) TEACHER OPPORTUNITY PROGRAM RULES AND REGULATIONS

RULE 1 - ORGANIZATION AND STRUCTURE

- I. The Arkansas Department of Higher Education (ADHE) shall administer the Teacher Opportunity Program with the policies set by the Arkansas Higher Education Coordinating Board (AHECB). All formal communications shall be addressed to or signed by the Director of the Arkansas Department of Higher Education or the Director's designee. The Teacher Opportunity Program Advisory Council shall provide advice to the Department of Higher Education regarding administration of the program.
- II. Teacher Opportunity Program Advisory Council
 - A. The Teacher Opportunity Program Advisory Council shall consist of eight members. The members will be appointed annually to serve a two-year staggered term by the Director of the Department of Higher Education. The members of this council will consist of representatives from public and private postsecondary institutions with Teacher Education programs, public and private elementary and secondary schools, and the teacher certification division of the Department of Education.
 - B. The Director of the Department of Higher Education or the Director's designee shall serve as the presiding officer of the Teacher Opportunity Program Advisory Council and shall ensure that staff services for the Council are provided.
- III. The final responsibility for selecting loan recipients shall rest with the Department of Higher Education.
- IV. When functioning under Act 109 of 1983, Act 331 of 1987, and any subsequent legislation, the Arkansas Department of Higher Education shall follow the Provisions of the Administrative Procedures Act.

RULE 2 - LOAN-ELIGIBILITY CRITERIA

I. Applicant must be bona fide residents of the State of Arkansas, as defined by the Arkansas Department of Higher Education, as having lived in Arkansas continually for at least **twelve (12)** six-months prior the application deadline.

- II. Applicant shall maintain a current teacher <u>license</u> certification with the Arkansas Department of Education. Only individuals with a provisional <u>license</u> certification or who are in the alternative <u>licensure</u> certification program are not considered certified for the purposes of the Dual Certification Incentive Program.
- III. Recipient awarded under the Dual <u>Licensure</u> Certification Incentive Program must:
 - A. Be currently employed as a classroom teacher in a public school in Arkansas; and
 - B. Have been employed by the same school district as a classroom teacher for at least three (3) years immediately preceding application; and
 - C. Be accepted for enrollment in a teacher education program that will lead to <u>licensure</u> certification in a subject area that is different than the teacher's current <u>licensure</u> area of certification and the subject area has either:
 - 1. Been declared by the Arkansas Department of Education as a subject area with a shortage of teachers; or
 - 2. Is in the grade level and subject area for which the school district has requested a waiver under 6-17-309.
 - D. Be selected by the local school district's board of directors based on:
 - 1. The recommendation of the building level superintendent and principal; or
 - The school district's request for waiver of teacher certification requirements under 6-17-309 because the district is unable to hire a qualified certified teacher to fill the position and has offered to fund the scholarship for the applicant.
 - E. Sign a promissory note agreeing to teach or serve as a classroom teacher in an Arkansas public school for three (3) consecutive years immediately following receipt of the additional certification or to repay the total amount plus interest of the loan received under the Dual Certification Incentive Program.

F. Earn a 2.5 cumulative grade point average in courses required toward dual <u>licensure.</u> certification and must complete a sufficient number of semester credit hours so as to be able to complete certification requirements within three (3) years of the initial award of funds under this program and be renewed for the following academic year.

IV. Non-Dual <u>Licensure Certification</u> Program requires that:

- A. Applicant must be currently employed as <u>a classroom</u> teacher <u>or</u> <u>administrator</u> in Arkansas and declare an intention to continue such employment in Arkansas.
- B. Applicant must be enrolled in an approved institution in Arkansas.
- C. Applicant must be enrolled in college level courses, excluding correspondence courses, directly related to their employment as certified by the Director of the Department of Education, General Education Division.
- D. Recipient must maintain at least a 2.50 grade point average in the courses funded by the Teacher Opportunity Program. Recipients funded for one course must obtain at least a "B" for that course. Recipients funded for two courses must obtain at least a "B" for one course and a "C" for the other.

RULE 3 - APPLICATION PROCESS

I. Solicitation of Applicants

Applications will be available <u>at</u> for download from the Arkansas Department of Higher Education's website. Applications will also be mailed to individuals upon request.

II. Submission of Application

Applications include personal information, as well as education and employment information. The Department of Higher Education will review all applications to ensure that all pertinent data are included and will notify the applicant of the status of the application. If the application is incomplete, ADHE will notify the applicant of this status, the information that is missing, and the deadline to submit the information. This deadline will be no less than two weeks from the date of the notification letter.

III. Application Deadline

The application deadline will be set each year by the Department of Higher Education. All applications must be <u>submitted</u> postmarked by the established deadline date. Applications received after the deadline date will not be considered for participation in the Teacher Opportunity Program. The Department may establish alternate deadlines for applicants based on the start date of each term.

IV. School District Verification

The applicant must obtain verification from the president of the local board of directors of the school district where the applicant is employed, that:

- A. The applicant meets the employment and certification requirements of the statute and these rules and regulations are for the award of a loan; and
- B. The school district has nominated the applicant for the loan; and
- C. The school district will meet the matching requirements for funds for this loan.

V. Verification by Teacher Certification Official

The applicant must obtain verification from the teacher certifying official at the applicant's college or university verifying:

- A. That the applicant has been admitted to the teacher education program for certification in the subject area specified on the application; and
- B. The number of semester hours remaining to complete certification in the specified subject area; and
- C. That the applicant will be able to complete certification in that subject area within three (3) years of initial entry into the Dual Certification Incentive Program.

RULE 4 – AWARD PROCESS

I. Selection of Loan Recipients

- A. The final responsibility for selecting lean recipients shall rest with the Director of the Arkansas Department of Higher Education.
- B. Applications for the Dual <u>Licensure Certification</u> Incentive Program will receive first priority for awards. If there are not sufficient funds

to award all eligible applicants, then applications will be prioritized based on the following criteria:

- C. Priority will be given to those who will complete certification in the least amount of semester credit hours.
- When the amount of semester credit hours to complete certification is equal, applicants will be selected based on school district priority in order to balance the number of awardees among the districts.
- Priority among applicants from the same district who will be starting during the same academic term will be based on the date the application is received. The application received first will receive first priority, unless otherwise notified by the local school board of a different priority.
- C. If funds remain after awarding all eligible applicants under the Dual <u>Licensure</u> Certification Incentive Program, Non-Dual Licensure Program applicants will be ranked according to criteria developed in conjunction with the Department of Education, focusing on state-wide needs.

II. Notification of Loan Recipients

- A. Selected loan recipients will <u>receive an</u> be mailed award notices stating their eligibility for the program. The award notice will include, where applicable, the student's name, and social security number, <u>and</u> award amount, the approved institution, the starting term of the loan, and the term by which certification must be completed. The award notice also explains the conditions for the loan, the disbursement procedures, and the responsibilities of the recipient. The award notice must be signed by the recipient and returned to the Department of Higher Education by the specified deadline, or the award will be revoked.
- B. Prior to the disbursement of funds, loan recipients will receive a promissory note for the purpose of entering into a loan agreement with ADHE. The terms of the loan agreement will include the general purpose, repayment and deferment procedures, interest calculations, and a schedule of advances. The promissory note shall be signed by the loan recipient, a co-maker of eligible age, and a notary public. Modifications to any award amounts will be confirmed through the issuance of a new promissory note.

RULE 5 – REIMBURSMENT LOAN AMOUNT

- Incentive Program include funding for the cost of student fees, books, and instructional supplies at a public institution of higher education in this State assessing the highest rate of student fees. The reimbursement made to one individual within one fiscal year may not exceed the aforementioned costs associated with six semester hours or the equivalent of six semester credit hours, though not to exceed \$3,000 during the fiscal year. tuition, mandatory fees, and books, though not to exceed \$3,000 during any one academic year. The loan will consist of a match of ADHE funds with local school district funds in a 2-to-1 ratio. ADHE will match two dollars for each one dollar from the school district.
- II. Non-Dual Licensure Program All other recipients may receive funds up to, but not in excess of, the cost of student fees, books, and instructional supplies at a public institution of higher education in this State assessing the highest rate of student fees. The reimbursement loan or loans-made to one individual within one fiscal year may not exceed the aforementioned costs associated with six semester hours or the equivalent of six semester credit hours, though not to exceed \$3,000 during the fiscal year.
- III. Based on the availability of program funds, awards will be disbursed <u>to</u> <u>the recipient</u> pursuant to the <u>reimbursement</u> lean limitations above and ranking status. Recipients must maintain an eligible status to receive funds.

RULE 6 – REIMBURSMENT LOAN DISBURSEMENT

I. Dual Certification Incentive Program Loans

Each term the institution will verify the enrollment of its students in the program to ADHE and will report this status, along with amount of the actual, eligible charges. ADHE will disburse its share of the matching funds to the institution, who will then disburse the funds to the student in accordance with the institution's disbursement procedures. ADHE will notify each school district of the amount due, the names of the recipients, and the institution to whom payment is to be made. Districts will disburse funds to the institutions within 10 working days of receipt of notification from ADHE.

I. Other Funding

For funding to students not in the Dual Certification Incentive Program, The

Teacher Opportunity Program is a reimbursement program. A check made payable to the individual recipient is mailed to the student once he/she has successfully completed the funded course with a satisfactory grade and has provided the Arkansas Department of Higher Education with an original copy of the itemized paid receipt and grade report or transcript for the funded course.

RULE 7- RECIPIENT RESPONSIBILITIES

It is the recipient's responsibility to notify the Arkansas Department of Higher Education, in writing, of any change in status within 21 days. This will include, but is not limited to:

Change of name;
Change in address;
Change in institution;
Change in coursework to be funded:
Change in enrollment status;
Change in employment; or

Change in <u>licensure</u> certification status.

Failure to notify the Arkansas Department of Higher Education of a change in status may affect future eligibility or collection status.

RULE 8 INSTITUTIONAL/SCHOOL DISTRICT RESPONSIBILITIES

I. College/University Responsibilities

A. Administrative Agreement

The chief executive officer of the institution is responsible for appointing one representative from the financial aid office to receive all communications, forms, etc. This representative is responsible for program disbursement, completing all forms, enrollment data, and complying with all program rules and regulations. The institution must comply with the following responsibilities in order to maintain continued eligibility status.

B. Institutional Verification

The institution shall provide information to the Arkansas Department of Higher Education each semester after registration, providing the names of the Teacher Opportunity Program (TOP) recipients who are officially enrolled as of the 11th class day of enrollment. This information is reported on a verification roster. The Financial Aid Administrator or designated official is responsible for completing the verification roster each semester. The completed and signed TOP verification roster shall be returned to the Arkansas Department of Higher Education by the dates specified on the roster. The verification roster is an alphabetical listing by institution of all persons receiving a TOP award for a given academic term. Students who are not enrolled in the current term or do not meet the eligibility requirements shall not receive TOP funds for that term.

C. Disbursement Records

The institution shall maintain information on the student indicating the disbursement of Teacher Opportunity Program funds.

D. Certifying Official

The administrator is responsible for designating a certifying official responsible for verifying enrollment and a disbursing official responsible for the disbursement of Teacher Opportunity Program funds.

E. Deadlines for Disbursement of Funds

All funds must be disbursed within 10 days of receipt of funds. Any outstanding funds not disbursed by these dates must be returned within 10 days to the Arkansas Department of Higher Education.

F. Refund Policy

It is the institution's responsibility to notify the Arkansas Department of Higher Education with the name of the student who withdrew, the date of withdrawal, and the refund amount. This information shall be placed on the institution's verification roster before the roster is returned to the Arkansas Department of Higher Education. The institution shall be responsible for the refund amount and shall pay that amount to the Arkansas Department of Higher Education.

G. Continuing Eligibility

It is the responsibility of each institution to annually complete the Continuing Eligibility roster. This roster shall be mailed to all institutions that have TOP recipient(s) enrolled. The Continuing Eligibility roster shall be returned to the Arkansas Department of Higher Education by the date specified on the roster. The Financial Aid Administrator or designated official is responsible for completing the Continuing Eligibility roster. The Continuing Eligibility roster is an alphabetical listing by institution of all Teacher Opportunity Program award recipients attending that institution for the academic year immediately preceding receipt of the Continuing Eligibility roster. The certifying official must complete the roster by providing the number of hours completed for the previous academic year and the cumulative grade point average achieved for each student listed.

H. Due Diligence

The institution will exercise due diligence in providing complete, accurate, and timely information as requested by the Arkansas Department of Higher Education on any loan recipient. In addition, the institution will exercise due diligence in complying with all the rules and regulations of the Teacher Opportunity Loan Program. The Arkansas Department of Higher Education shall periodically review the institution's records concerning the Teacher Opportunity Program in an effort to exercise its due diligence requirements as a steward of State of Arkansas funds.

II. School District Responsibilities

The president of each local school board that nominates a teacher to participate in the Dual Certification Incentive Program is responsible for appointing one representative from the school district office to receive all communications, forms, etc. relating to the Dual Certification Incentive Program. The district will disburse funds each term for each of its teachers participating in the Dual Certification Incentive Program within 10 working days of receipt of notification by ADHE of the amount due and the institution.

RULE 9 - REPAYMENT OF LOAN

Terms of Repayment

- A. The ADHE will forgive the loan if the teacher receives the additional certification within three (3) years of first receiving funds under the program and teaches or serves as a classroom teacher in an Arkansas public school district for three (3) continuous years immediately following receipt of the additional certification.
- B. The forgivable loan may be terminated if the recipient fails to meet both of the requirements in paragraph IA above.
- C. Verification of the loan recipient's employment will be conducted once a year, in June, through the school superintendent's office in the recipient's employment district or through records on file with the Arkansas Department of Education.
- D. Loan recipients who do not complete both requirements of paragraph IA above will be entered into repayment. The loan(s) shall be repaid within a maximum of five (5) years, plus accrued interest according to an interest and repayment schedule. Repayment will begin nine (9) months after the point in time when the recipient is no longer meeting, or can no longer meet, the requirements for forgiveness.

II. Interest on Loan

- A. Interest will begin accruing after the completion of the program, or immediately after termination of the forgivable loan, whichever is earlier.
- B. Interest will not accrue and installments need not be paid when an official deferment has been approved by the Arkansas Department of Higher Education. Request for deferment must be submitted to ADHE for approval using a Request for Deferment form.

III. Deferment of Loan

- A. At the discretion of ADHE scheduled loan repayments may be deferred if it is determined by ADHE that extraordinary circumstances prevent the recipient from making such repayments. Deferments may be granted for the following conditions:
 - The recipient is temporarily totally disabled, for a period of time not to exceed three (3) years, as established by sworn affidavit from a licensed physician. ADHE reserves the right to require a second opinion by an ADHE approved physician.

- 2. The recipient is engaged in active duty as a member of a uniformed service. The recipient must provide their Uniformed Service Serial Number, Branch of Service and a copy of their military orders.
- Other extraordinary circumstances that would prevent the recipient from repaying the debt within the contractual obligations of the note may be considered.
- B. To qualify for a deferment, a recipient must notify ADHE of their claim for the deferment and provide supporting documentation on a Request for Deferment form that will be supplied by ADHE upon request. The Request for Deferment form must be completed and returned to ADHE by the recipient. The recipient will be notified within 10 days of approval or disapproval of any application for a deferment.

IV. Cancellation of Loan

ADHE will cancel a recipient's repayment obligations if it determines:

- A. On the basis of a sworn affidavit of a licensed physician, that the recipient is unable to teach on a full-time basis because of an impairment that is expected to continue indefinitely or result in death. ADHE reserves the right to require a second opinion by an ADHE approved physician; or
- B. On the basis of a death certificate or other evidence of death, that is conclusive under state law, the recipient has died.

V. Prepayment of Loan

There shall be no penalty for prepayment or repayment of all or any portion of the principal and all interest accrued thereon.

VI. Failure to Repay

Loan recipients required to repay their loan(s), and who fail to meet their repayment obligations, may have added to their total obligation any costs for collection of the debt and shall have their teaching license in Arkansas revoked by the State Board of Education. In addition, ADHE will notify the Arkansas Department of Education of the failure to repay. The Arkansas Department of Education may pursue appropriate action to suspend the loan recipients teaching license.

RULE 10 - COLLECTION OF LOAN

I. Collection of Loan

Accounts will be retained by ADHE in the Financial Aid Division until the individual is no longer eligible for forgiveness or deferment. The account will be turned over to a vendor for repayment. The student will be notified by mail that their account is being placed with a vendor for collections and they will be sent a loan amortization schedule along with the letter. The account will remain with the vendor until repaid or 120 days past due. Loan recipients who are determined by ADHE to be 120 days delinquent will be mailed their first letter of notification 10 days after the installment payment is due. The co-signer will be notified at the same time. If payment is not forthcoming within 60 days from the original payment due date, a second letter of notification will be sent to the loan recipient and the co-signer declaring their account is delinquent and requesting that the account be immediately brought up to date. If the loan recipient has not responded within 90 days from the original payment due date, the third and final letter of notification will be sent to the recipient and co-signer informing them that the account will officially be in default if outstanding payments are not made within 30 days. At this time the account will be turned over to a debt collection agency.

II. Skip Tracing Mechanisms

ADHE will use these steps to locate recipients and/or co-signers if communications are returned as undelivered:

- A. Contact the Motor Vehicle Division of the Arkansas Department of Finance and Administration:
- B. Contact references listed on the recipient's application:
- C. Utilize telephone directory or check with directory assistance in the area of the recipient and/or co-signer's last known address;
- D. Contact institutional offices (alumni office, admissions office, registrar's office, fraternity or sorority, and the department that the recipient majored in) at the campus where the recipient last attended;
- E. Contact creditors, such as credit card companies, credit bureaus, or GSL lender;
- F. Contact recipient's field of study--professional organization, union, or
- licensing board;

G. Contact post office;

H. Contact utility companies; and,

Contact Chamber of Commerce.

III. Credit Reporting Agencies

Defaulted recipients and/or co-signers will be reported to the following Credit Reporting Agencies:

A. CSC Credit Reporting Services, Inc.

B. TRW Credit Data

C. Trans Union Credit Reporting

Forms for reporting defaulted loan recipients and/or co-signers are located in the collections file. ADHE will also promptly respond to any inquiries it receives from credit reporting agencies concerning delinquent or defaulted loan recipients and/or co-signers.

IV. State Income Tax Set Off

By the authority of Act 345 of 1993, the Department of Higher Education has been included as a claimant agency for the setoff of debts against state tax refunds.

V. Litigation

No sooner than 30 days after sending the third letter of notification, ADHE shall institute a civil suit against the recipient and co-signer for repayment of the loan. Small Claims Courts will be used to satisfy debts of accounts up to \$5,000.00. If over \$5,000.01, ADHE must use Circuit Court. If the account is \$5,000.01 or above, ADHE may choose to use Small Claims Courts and waive the difference because of the expense involved in going to Circuit Court. If ADHE chooses to waive the difference, it cannot later try to collect the difference. Forms to take the recipient and/or co-signer to Small Claims Courts are requested from the recipient's and/or co-signer's county of residence.

VI. Write-Offs

Teacher Opportunity Program loans may be written off as uncollectible if ADHE shows due diligence to satisfy the collection of the debt, and documents in the recipient's file that:

- A. The cost of litigation would exceed the likely recovery if litigation were commenced; or
- B. The recipient and/or co-signer do not have the means to satisfy a judgment on the debt, or a substantial portion thereof.

Proof of due diligence collection activities must be submitted to the Administrator of the Department of Finance and Administration and approval from the Administrator must be received before TOP accounts may be written off.

VII. Nonpayment Penalties

- A. Loan recipients who fail to meet their repayment obligations may have added to their total obligation any costs for collection of the debt.
- B. Loan recipients who fail to meet their repayment obligations shall have their teaching license in Arkansas suspended by the State Board of Education.

RULE 8 11 - PROGRAM DEFINITIONS

The following definitions are used in the Teacher Opportunity Program (TOP):

Academic Year A measure of the academic work to be

accomplished by the recipient. The

academic year is defined as fall, spring, and

summer semesters, in that order.

Arkansas Resident to be considered an Arkansas resident by

ADHE, an applicant must be an Arkansas resident for twelve (12) months prior to the application deadline for the financial aid program. Further, the recipient may be asked to provide evidence of a permanent connection with the State of Arkansas. ADHE will look to one or more of the following to determine residency in those

cases:

(A) Valid Arkansas Driver's License;

(B)Proof of payment for Arkansas personal

and/or real taxes for previous year;

(C)Proof of Arkansas vehicle registration;

(D)Proof of Arkansas voter registration; and (E)Other forms of proof of Arkansas residency.

Approved Institution

An Arkansas postsecondary public or private college, university, or school that is currently accredited by a nationally recognized accrediting agency or association that has a teacher licensure program where those courses are directly creditable toward teacher licensure in a baccalaureate institution. The institution must not discriminate against applicants, or employees on the basis of race, color, religion, sex, age, handicap, or national origin, consistent with the provisions of applicable state and federal laws.

Award Year

The award year begins on July 1 of one calendar year, and extends to June 30 of the next calendar year.

Cancellation

ADHE shall cancel a recipient's repayment obligation if it determines: on the basis of a sworn affidavit of a licensed physician, that the recipient is unable to teach on a full-time basis because of an impairment that is expected to continue indefinitely or result in death. ADHE reserves the right to require a second opinion by an ADHE approved physician; or on the basis of a death certificate or other evidence of death, that is conclusive under State law, that the scholar has died.

Default

Failure to repay the Teacher Opportunity
Program in accordance with the terms of the
Promissory Note provided that this failure
persists for 180 days for monthly payments.

Deferment

This is a period of suspension of repayments, during which interest does not accrue. ADHE shall not consider that the recipient has violated the repayment schedule if he or she does not meet the payments during the time he or she is in deferment status.

Due Diligence

A process of steps that ADHE takes to collect TOP funds when a recipient enters repayment status. It includes: billing the scholar, sending overdue notices, conducting address searches if the recipient cannot be located, reporting the account to credit bureaus, collection, and litigation. Due diligence also includes keeping the recipient informed of all changes in the TOP Program that affect his or her rights and responsibilities and responding promptly to the recipient's inquiries.

Promissory Note

The Promissory Note is a legal document obligating the recipient to repay the loan if he or she does not teach in a public school located in a geographical area of the state designated as having a critical shortage of teachers and/or in a subject matter designated as having a critical shortage of teachers one year for each year the student receives the TOP. The recipient's rights and responsibilities will be stated on the promissory note.

Satisfactory Academic Progress

To be maintaining satisfactory academic progress the recipient must maintain a minimum 2.5 cumulative grade point average on a 4.0 scale. Students must be on track to complete the certification program within three (3) academic years.

Skip Tracing

A process for locating a recipient who is in repayment status. ADHE's efforts may include contacting relatives, friends, references, and other individuals or entities in the recipient's file.

Subject Matter Designated as Critical Needs in the State of Arkansas The Arkansas Department of
Education annually certifies subject matter
areas as critical need based on the results of
surveys obtained from school districts in the
state of Arkansas. This information is
submitted to the U. S. Department of
Education; and subject shortage areas are
certified as such in the state of Arkansas for

	purposes of providing forgiveness of student loans, etc. The TOP Commission will accept these subject matter areas for the TOP Program.
Classroom Teacher	An individual who is required to hold a
	teaching license from the Arkansas
	Department of Education and who is:
	a. Engaged directly in instruction
	with students in a classroom
	setting for more than seventy
	percent (70%) of the individual's
	contracted time;
	b. A media specialist or librarian;
	c. A guidance counselor.

Dual License

Licensure to teach in more than one (1) subject area.

Teach on a Full-time Basis

Teach the same number of hours required of teachers who have full-time contracts, as determined by the institution or agency in which an individual is teaching, for a minimum of one (1) academic term, as defined by the institution or agency in which an individual is teaching.